

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
 FORT WORTH DIVISION

In Re. FLEXIBLE FUNDING LTD. LIABILITY CO.

Case No. 21-42215

Debtor(s)

Lead Case No. 21-42215☒ Jointly Administered**Monthly Operating Report**

Chapter 11

Reporting Period Ended: 10/31/2021Petition Date: 09/19/2021Months Pending: 1Industry Classification:

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Reporting Method:

Accrual Basis ☒Cash Basis ☐

Debtor's Full-Time Employees (current):

3

Debtor's Full-Time Employees (as of date of order for relief):

19**Supporting Documentation** (check all that are attached):

(For jointly administered debtors, any required schedules must be provided on a non-consolidated basis for each debtor)

- ☒ Statement of cash receipts and disbursements
- ☒ Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit
- ☒ Statement of operations (profit or loss statement)
- ☐ Accounts receivable aging
- ☒ Postpetition liabilities aging
- ☐ Statement of capital assets
- ☐ Schedule of payments to professionals
- ☒ Schedule of payments to insiders
- ☐ All bank statements and bank reconciliations for the reporting period
- ☐ Description of the assets sold or transferred and the terms of the sale or transfer

/s/Lynda Lankford

Signature of Responsible Party

11/23/2021

Date

Lynda L. Lankford

Printed Name of Responsible Party

777 Main Street, Suite 1550, Fort Worth, TX 76102
Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

Debtor's Name FLEXIBLE FUNDING LTD. LIABILITY CO.

Case No. 21-42215

Part 1: Cash Receipts and Disbursements	Current Month	Cumulative
a. Cash balance beginning of month	\$8,911,379	
b. Total receipts (net of transfers between accounts)	\$-3,586,783	\$5,631,638
c. Total disbursements (net of transfers between accounts)	\$438,745	\$762,584
d. Cash balance end of month (a+b-c)	\$4,885,852	
e. Disbursements made by third party for the benefit of the estate	\$0	\$0
f. Total disbursements for quarterly fee calculation (c+e)	\$438,745	\$762,584

Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.)	Current Month
a. Accounts receivable (total net of allowance)	\$103,290,382
b. Accounts receivable over 90 days outstanding (net of allowance)	\$0
c. Inventory (Book <input type="radio"/> Market <input type="radio"/> Other <input checked="" type="radio"/> (attach explanation))	\$0
d. Total current assets	\$109,743,007
e. Total assets	\$111,019,439
f. Postpetition payables (excluding taxes)	\$716,848
g. Postpetition payables past due (excluding taxes)	\$0
h. Postpetition taxes payable	\$0
i. Postpetition taxes past due	\$0
j. Total postpetition debt (f+h)	\$716,848
k. Prepetition secured debt	\$96,055,350
l. Prepetition priority debt	\$0
m. Prepetition unsecured debt	\$13,024,038
n. Total liabilities (debt) (j+k+l+m)	\$109,796,236
o. Ending equity/net worth (e-n)	\$1,223,203

Part 3: Assets Sold or Transferred	Current Month	Cumulative
a. Total cash sales price for assets sold/transferred outside the ordinary course of business	\$0	\$0
b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$0	\$0
c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$0	\$0

Part 4: Income Statement (Statement of Operations) (Not generally applicable to Individual Debtors. See Instructions.)	Current Month	Cumulative
a. Gross income/sales (net of returns and allowances)	\$1,176,219	
b. Cost of goods sold (inclusive of depreciation, if applicable)	\$462,177	
c. Gross profit (a-b)	\$714,042	
d. Selling expenses	\$36,538	
e. General and administrative expenses	\$678,931	
f. Other expenses	\$0	
g. Depreciation and/or amortization (not included in 4b)	\$2,224	
h. Interest	\$0	
i. Taxes (local, state, and federal)	\$0	
j. Reorganization items	\$0	
k. Profit (loss)	\$-3,651	\$90,485

Debtor's Name FLEXIBLE FUNDING LTD. LIABILITY CO.

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Part 5: Professional Fees and Expenses

a.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative	
	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>		\$0	\$0	\$0	\$0	
	<i>Itemized Breakdown by Firm</i>						
		Firm Name	Role				
	i	Forshey & Prostok, LLP	Lead Counsel	\$0	\$0	\$0	\$0
	ii	Candlewood Partners LLC	Financial Professional	\$0	\$0	\$0	\$0

b.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative	
	Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i>		\$0	\$52,416	\$0	\$52,416	
	<i>Itemized Breakdown by Firm</i>						
		Firm Name	Role				
	i	Carle Mackie Power & Ross LLP	Local Counsel	\$0	\$736	\$0	\$736
	ii	Hanson Bridgett LLP	Local Counsel	\$0	\$2,188	\$0	\$2,188
	iii	Levinson Arshonsky & Kurtz, LLP	Local Counsel	\$0	\$11,492	\$0	\$11,492
	iv	PAHL & McCAY	Local Counsel	\$0	\$38,000	\$0	\$38,000
c.	All professional fees and expenses (debtor & committees)		\$0	\$52,416	\$0	\$52,416	

Part 6: Postpetition Taxes

	Current Month	Cumulative
a. Postpetition income taxes accrued (local, state, and federal)	\$0	\$0
b. Postpetition income taxes paid (local, state, and federal)	\$0	\$0
c. Postpetition employer payroll taxes accrued	\$0	\$0
d. Postpetition employer payroll taxes paid	\$0	\$0
e. Postpetition property taxes paid	\$0	\$0
f. Postpetition other taxes accrued (local, state, and federal)	\$0	\$0
g. Postpetition other taxes paid (local, state, and federal)	\$0	\$0

Part 7: Questionnaire - During this reporting period:

- | | |
|--|---|
| a. Were any payments made on prepetition debt? (if yes, see Instructions) | Yes <input checked="" type="radio"/> No <input type="radio"/> |
| b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions) | Yes <input type="radio"/> No <input checked="" type="radio"/> |
| c. Were any payments made to or on behalf of insiders? | Yes <input checked="" type="radio"/> No <input type="radio"/> |
| d. Are you current on postpetition tax return filings? | Yes <input checked="" type="radio"/> No <input type="radio"/> |
| e. Are you current on postpetition estimated tax payments? | Yes <input checked="" type="radio"/> No <input type="radio"/> |
| f. Were all trust fund taxes remitted on a current basis? | Yes <input checked="" type="radio"/> No <input type="radio"/> |
| g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) | Yes <input type="radio"/> No <input checked="" type="radio"/> |
| h. Were all payments made to or on behalf of professionals approved by the court? | Yes <input checked="" type="radio"/> No <input type="radio"/> N/A <input type="radio"/> |

Debtor's Name FLEXIBLE FUNDING LTD. LIABILITY CO.

Case No. 21-42215

- i. Do you have: Worker's compensation insurance? Yes ☒ No ☐
 If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
 Casualty/property insurance? Yes ☒ No ☐
 If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
 General liability insurance? Yes ☒ No ☐
 If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- j. Has a plan of reorganization been filed with the court? Yes ☐ No ☒
- k. Has a disclosure statement been filed with the court? Yes ☐ No ☒
- l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? Yes ☒ No ☐

Part 8: Individual Chapter 11 Debtors (Only)

- | | |
|--|---|
| a. Gross income (receipts) from salary and wages | \$0 |
| b. Gross income (receipts) from self-employment | \$0 |
| c. Gross income from all other sources | \$0 |
| d. Total income in the reporting period (a+b+c) | \$0 |
| e. Payroll deductions | \$0 |
| f. Self-employment related expenses | \$0 |
| g. Living expenses | \$0 |
| h. All other expenses | \$0 |
| i. Total expenses in the reporting period (e+f+g+h) | \$0 |
| j. Difference between total income and total expenses (d-i) | \$0 |
| k. List the total amount of all postpetition debts that are past due | \$0 |
| l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? | Yes <input type="radio"/> No <input checked="" type="radio"/> |
| m. If yes, have you made all Domestic Support Obligation payments? | Yes <input type="radio"/> No <input type="radio"/> N/A <input checked="" type="radio"/> |

Debtor's Name FLEXIBLE FUNDING LTD. LIABILITY CO.

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Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

/s/Steven Sala

Signature of Responsible Party

CFO

Title

Steven Sala

Printed Name of Responsible Party

11/22/2021

Date

Flexible Funding, LLC

Profit and Loss

Accrual Basis

Accruals Adjusted for Partial
Month

	Sep 20-30, 2021	Oct 2021	
Income			
Loan Revenue	\$ 621,073.60	\$ 1,174,316.09	
Services		1,902.60	
Total Income	\$ 621,073.60	\$ 1,176,218.69	
Cost of Goods Sold			
Amortization of Debt Issuance Costs			
Amortization - Medalist Loan Fees	7,398.47	20,177.64	
Amortization - Umpqua Loan Fees	16,900.45		
Total Amortization of Debt Issuance Costs	\$ 24,298.92	\$ 20,177.64	
Interest Exp	126,436.79	423,844.03	
Interest Exp - Participation	0.00	18,154.91	
Total Cost of Goods Sold	150,735.71	\$ 462,176.58	
Gross Profit	\$ 470,337.89	\$ 714,042.11	
Expenses			
Advertising	9,749.32	21,679.34	
Auto	30.00	296.17	
Bank Chrg	19,037.73	31,176.18	
Contract Employees	3,745.21	12,310.59	
Credit Reports	2,451.47	6,868.33	
Entertainment Meals	623.08	1,739.38	
Legal & Professional	72,823.67	231,397.52	
Loan Loss Reserve	64,166.67	175,000.00	
Office	5,337.71	2,947.79	
Payroll Expenses	0.00	0.00	
Benefits	-1,591.14	4,991.35	
Gross Wages	152,487.41	177,716.79	
Payroll Taxes (employer)	11,455.49	12,036.10	
Workers Comp			
Total Payroll Expenses	\$ 162,351.76	\$ 195,850.02	
Promotional Meals	0.00	0.00	
referral fee	3,847.97	7,989.83	
Rent	700.00	700.00	
Software	930.46	12,127.53	
Telephone	732.11	2,970.59	
Travel	9,662.29	11,926.26	
Travel Meals	424.56	489.36	
Total Expenses	\$ 356,614.01	\$ 715,468.89	
Net Operating Income	\$ 113,723.88	-\$ 1,426.78	
Other Expenses			
Amortization of covenant not-to-compete	17,364.84		
Depreciation Expense	2,223.55	2,223.55	
Total Other Expenses	\$ 19,588.39	\$ 2,223.55	
Net Other Income	-\$ 19,588.39	-\$ 2,223.55	
Net Income	\$ 94,135.49	-\$ 3,650.33	\$ 90,485.16

Flexible Funding, LLC
Balance Sheet
As of September 30, 2021

	Sep'2021	Oct 2021
ASSETS		
Current Assets		
Bank Accounts		
Ares - UnionBank AC 0615	299.86	0.00
Ares - UnionBank AP 4097	0.00	20,169.65
City National Bank	14,362.77	18,972.55
Ecommerce - WFB	205.65	964.59
Instapay - WFB	823,607.82	267,252.84
RBC Canadian Acct	148.38	118.38
RBC USD Acct	68.35	68.35
Umpqua Bank	6,514,092.44	3,514,216.52
WFB	1,558,593.93	1,064,088.52
Total Bank Accounts	\$ 8,911,379.20	\$ 4,885,851.40
Accounts Receivable		
Accounts Receivable	1,718.03	0.00
Total Accounts Receivable	\$ 1,718.03	\$ 0.00
Other Current Assets		
Allowance for Doubtful Accounts	-6,691,384.69	-6,866,384.69
Employee Cash Advances	15,000.00	15,000.00
Factor Receivable Gross Up	1,115,173.00	1,115,173.00
Total Loans	\$ 109,720,032.10	\$ 102,924,706.43
Participation Receivables	5,624,865.12	5,624,865.12
Prepaid Expense – Elias	0.00	0.00
Prepaid Expenses	-46,000.00	-46,000.00
Total Term Loans	\$ 5,381,100.77	\$ 6,362,902.02
Unapplied Cash Payment / Suspense	-10,403,109.42	-4,755,706.71
Uncategorized Asset	482,600.00	482,600.00
Total Other Current Assets	\$ 105,198,276.88	\$ 104,857,155.17
Total Current Assets	\$ 114,111,374.11	\$ 109,743,006.57
Total Fixed Assets		
	\$ 4,257.94	\$ 2,034.39
Other Assets		
Covenant Non-Compete	17,364.85	17,364.85
Debt Issuance Costs	0.00	0.00
Goodwill	1,127,382.16	1,127,382.16
Investment in Subsidiary	-613,714.00	-613,714.00
Platform Development		0.00
Accum Amort of Platform Development	-184,711.00	-184,711.00
Platform Development Costs	900,914.00	909,714.00
Total Platform Development	\$ 716,203.00	\$ 725,003.00
Rent Deposit	18,361.36	18,361.36
Software Purchase	0.66	0.66
Total Other Assets	\$ 1,265,598.03	\$ 1,274,398.03
TOTAL ASSETS	\$ 115,381,230.08	\$ 111,019,438.99
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable	401,794.92	716,129.44
Credit Cards	\$ 37,325.19	\$ 718.91
Other Current Liabilities		
Accrued Expenses	393,621.90	429,825.99
Accrued Interest	110,186.45	291,370.42
Total Customer Deposits / Escrow	\$ 1,688,618.21	\$ 1,688,772.87
Total Notes	\$ 26,702,997.10	\$ 26,723,174.74
Total Participation	\$ 2,500,000.00	\$ 1,148,094.76
Total Payroll Liabilities	\$ 933.88	\$ 933.88
PPP Loan	482,600.00	482,600.00
Refunds Due to Others (no-offset to loans)	1,156,956.94	629,537.83
Umpqua / Syndicated LOC	0.00	0.00
Debt Issuance Cost - Umpqua	-670,272.67	-670,272.67
Items In-Transit	3,570,880.00	576,683.00
Umpqua Line	77,778,666.87	77,778,666.87
Total Umpqua / Syndicated LOC	\$ 80,679,274.20	\$ 77,685,077.20
Unearned revenue	0.00	0.00
Total Other Current Liabilities	\$ 113,715,188.68	\$ 109,079,387.69
Total Current Liabilities	\$ 114,154,308.79	\$ 109,796,236.04
Total Liabilities	\$ 114,154,308.79	\$ 109,796,236.04
Equity		
Current Earnings Allocation Contra	253,932.97	253,932.97
Total Member Capital - Capper	\$ 2,542,191.55	\$ 2,542,191.55
Total Member Capital - DeLuca	-\$ 1,166,319.41	-\$ 1,166,319.41
Net Income	-402,884.07	-406,602.16
Total Equity	\$ 1,226,921.29	\$ 1,223,202.95
TOTAL LIABILITIES AND EQUITY	\$ 115,381,230.08	\$ 111,019,438.99

Flexible Funding, LLC
A/P Aging Detail
As of October 31, 2021

Date	Vendor	Open Balance	
09/01/2021	Quench USA	68.01	Pre-Petition
09/01/2021	EXPERIAN	3,663.00	Pre-Petition
09/06/2021	Voco Vilya, Inc.	38,718.99	Pre-Petition
09/10/2021	Thompson, Welch, Soroko & Gilbert LLP	1,142.50	Pre-Petition
09/17/2021	Maher Accountancy	17,300.00	Pre-Petition
09/17/2021	Maher Accountancy	13,710.00	Pre-Petition
09/19/2021	Levinson Arshonsky & Kurtz, LLP	25,081.70	Pre-Petition
09/19/2021	Terrence A. Greiner P.C.	20,073.29	Pre-Petition
09/19/2021	Carle Mackie Power & Ross LLP	9,009.00	Pre-Petition
09/19/2021	Tax Guard, Inc.	2,453.25	Pre-Petition
09/19/2021	Hanson Bridgett LLP	749.00	Pre-Petition
09/19/2021	PAHL & McCAY	120,036.79	Pre-Petition
09/19/2021	Ward and Smith, P.A. Attorneys at Law	77,544.50	Pre-Petition
09/24/2021	FedEX	352.58	
09/27/2021	EXPERIAN	3,747.83	
09/29/2021	CSC	514.00	
09/30/2021	Steven Elias - 1099 interest portion	12,726.07	
09/30/2021	Cheng Chin Liao	10,273.97	
09/30/2021	Frances Capper Administrative Trust	9,945.21	
09/30/2021	Cheng Te Liao	6,575.34	
09/30/2021	Capper Investment. LLC	4,726.03	
09/30/2021	Jan Marcus Capper	4,686.77	
09/30/2021	Chi-Wei Liao	4,602.74	
09/30/2021	Jerry Fong	3,287.67	
09/30/2021	Charisse Castagnoli	2,301.37	
09/30/2021	Scott t Dirvonas	1,849.32	
09/30/2021	First Corporate Solutions	2,174.00	
09/30/2021	Maher Accountancy	4,550.00	
10/01/2021	Quench USA	68.01	
10/04/2021	First Corporate Solutions	80.00	
10/15/2021	Maher Accountancy	12,945.00	
10/20/2021	WOLLBORG - MICHELSON PERSONNEL - 1099	504.00	
10/28/2021	Levinson Arshonsky & Kurtz, LLP	15,115.71	
10/28/2021	Carle Mackie Power & Ross LLP	4,835.30	
10/28/2021	WOLLBORG - MICHELSON PERSONNEL - 1099	1,176.00	
10/28/2021	Ward and Smith, P.A. Attorneys at Law	116,127.21	
10/28/2021	CSC	771.50	
10/29/2021	Steve Sala	5,622.46	
10/29/2021	Voco Vilya, Inc.	38,175.08	
10/29/2021	PAHL & McCAY	22,382.68	
10/29/2021	Terrence A. Greiner P.C.	16,910.00	
10/29/2021	Voco Vilya, Inc.	3,766.61	
10/31/2021	Steven Elias - 1099 interest portion	13,150.27	
10/31/2021	Cheng Chin Liao	10,616.44	
10/31/2021	Frances Capper Administrative Trust	10,276.71	
10/31/2021	Cheng Te Liao	6,794.52	
10/31/2021	Capper Investment. LLC	4,883.56	
10/31/2021	Jan Marcus Capper	4,842.99	
10/31/2021	Chi-Wei Liao	4,756.16	
10/31/2021	Jerry Fong	3,397.26	
10/31/2021	Charisse Castagnoli	2,378.08	
10/31/2021	Scott t Dirvonas	1,910.96	
10/31/2021	Maher Accountancy	12,780.00	
		716,129.44	

Flexible Funding

Cash Disbursements Detail - October MOR

*Because Debtor's business is providing loans and collecting receivables, we have excluded portfolio related disbursements and receipts. There are no receipts included in the report, as all receipts are collections related to loan activity.

Date	Name	Memo/Description	Amount	Budget Line Item
10/01/2021		Service Fee	\$695.57	Bank and transaction fees
10/01/2021		Ancillary Product Fees	\$42.81	Bank and transaction fees
10/01/2021		employee benefit payback	\$0.00	Personnel
10/01/2021		employee benefit	\$177.95	Personnel
10/01/2021		Earning	\$43,409.18	Personnel
10/01/2021		Employer Taxes	\$3,057.22	Personnel
10/01/2021		Eileen - airport parking, uber, airline	\$560.07	Travel
10/01/2021		Eileen - Texas hotel	\$679.67	Travel
10/01/2021		Eileen - travel meal	\$13.95	Travel
10/01/2021		Umpqua Interest Expense	\$265,599.13	ABL Interest Expense
10/01/2021		Umpqua Interest Expense	\$8,223.81	ABL Interest Expense
10/01/2021		Umpqua Interest Expense Reimbursement	(\$163,636.49)	ABL Interest Expense
10/04/2021	WOLLBORG - MICHELSON PERSONNEL - 1099	Contract Employees	\$1,680.00	Outside Services
10/04/2021	WOLLBORG - MICHELSON PERSONNEL - 1099	Contract Employees	\$924.00	Outside Services
10/04/2021	WOLLBORG - MICHELSON PERSONNEL - 1099	Contract Employees	\$1,512.00	Outside Services
10/04/2021	WOLLBORG - MICHELSON PERSONNEL - 1099	Contract Employees	\$567.00	Outside Services
10/04/2021	WOLLBORG - MICHELSON PERSONNEL - 1099	Contract Employees	\$1,428.00	Outside Services
10/04/2021	bill.com ACH verify	Office	(\$0.01)	Office and administration
10/04/2021	Texas office copier lease - Invoice 73900658	Office	\$95.26	Office and administration
10/04/2021	TX entertainment and shreeder	Office	\$291.16	Office and administration
10/04/2021	Jeremy Hare restitution	Office	(\$75.00)	Office and administration
10/04/2021	WFB API ACH test	Office	(\$0.05)	Office and administration
10/04/2021	Steve - airfare and Lyft	Travel	\$684.95	Travel
10/04/2021	Steve - hotel	Travel	\$617.21	Travel
10/04/2021	Steve - travel meal	Travel Meals	\$84.63	Travel
10/05/2021	Millennium	referral fee	(\$118.18)	Marketing & Promotion (Commissions)
10/06/2021	WOLLBORG - MICHELSON PERSONNEL - 1099	Contract Employees	\$1,680.00	Outside Services
10/08/2021	Eileen - mileage to and from Denver airport	Auto	\$169.12	Personnel
10/08/2021	Service Fee	Legal & Professional	\$675.14	Office and administration
10/08/2021	Ancillary Product Fees	Legal & Professional	\$42.81	Office and administration
10/08/2021	Boosted eCommerce AP Verify 016BRMIZA1YW	Office	(\$0.01)	Office and administration
10/08/2021	employee benefit payback	Payroll Expenses:Benefits	(\$905.64)	Personnel
10/08/2021	employee benefit	Payroll Expenses:Benefits	\$0.00	Personnel
10/08/2021	Earning	Doug - overnight NOA	\$43,200.87	Personnel
10/08/2021	Employer Taxes	Payroll Expenses:Payroll Taxes (employer)	\$2,946.55	Personnel
10/09/2021	Steve- entertainment meal with Scott and Eileen	Entertainment Meals	\$137.53	Travel
10/09/2021	Steve - airfare, Lyft	Travel	\$929.24	Travel
10/09/2021	Steve -hotel	Travel	\$578.75	Travel
10/12/2021	Bank Charges	account analysis	\$10,815.72	Bank and transaction fees
10/12/2021	Bank Charges	Account analysis	\$9,246.69	Bank and transaction fees
10/12/2021	Cheng Te Liao	Cell, Internet, Phone, Nash	\$189.51	Office and administration
10/12/2021	Cheng Te Liao	Transportation / Embarcadero Parking	\$18.00	Travel
10/13/2021	Office	SENSCO ACH verify	(\$0.01)	Office and administration
10/13/2021	Office		(\$250.00)	Office and administration
10/13/2021	Office		(\$250.00)	Office and administration
10/14/2021	Contract Employees	WOLLBORG - MICHELSON PERSONNEL - 1099	\$1,680.00	Outside Services
10/14/2021	Office	Hwy Labs Inc. DB AP Verify	(\$0.01)	Office and administration
10/15/2021	Wages	Earning	\$45,526.06	Personnel
10/15/2021		Employer Taxes	\$3,134.21	Personnel
10/15/2021	Steve Sala	MSFT, Ring Central, Flexible Funding	\$2,836.06	Software
10/15/2021		Scott- hotel, air, uber	\$2,200.61	Travel
10/15/2021	Steve Sala	Ring Central	\$1,702.27	Software
10/15/2021		Paul - rental car and uber	\$1,457.58	Travel
10/15/2021		Paul - group meal	\$1,418.31	Personnel
10/15/2021		Eileen - airfare to Texas	\$935.40	Travel
10/15/2021	Office	Paul - state fair tickets, office decor	\$763.60	Office and administration
10/15/2021	Steve Sala	Instapay MSFT and Slack	\$738.49	Software
10/15/2021		Service Fee	\$710.59	Office and administration
10/15/2021		Eileen - Texas hotel	\$696.36	Travel
10/15/2021	Lloyd & McDaniel	File suit for R&R	\$450.00	Office and administration
10/15/2021	Office	Doug - overnight NOA	\$404.08	Office and administration
10/15/2021		Scott- Travel meal	\$200.60	Travel
10/15/2021		Eileen - Lyft	\$177.67	Travel
10/15/2021		Eileen - dinner with James	\$72.48	Personnel
10/15/2021		Ancillary Product Fees	\$42.81	Office and administration
10/15/2021		Eileen - airport parking	\$30.00	Travel
10/15/2021		Eileen - travel meal	\$12.94	Travel
10/15/2021	Benefits	employee benefit	\$0.00	Personnel
10/15/2021		employee benefit payback	(\$1,476.37)	Personnel
10/17/2021	Steve Sala	Steve - dinner with Scott	\$111.06	Travel
10/17/2021	Steve Sala	Steve- Lyft	\$251.81	Travel
10/17/2021	Steve Sala	Steve - Hotel	\$454.90	Travel
10/19/2021	Steve Sala	Internet AT&T	\$129.03	Software
10/19/2021	Dirvonas Associates	Colorado office rent October 2021	\$700.00	Occupancy
10/19/2021	Steve Sala	Instapay CC Expense Reimbursement	\$1,631.54	Personnel
10/19/2021	Steve Sala	Flexible MSFT	\$704.30	Software
10/19/2021	Dirvonas Interactive	October Azure server	\$1,863.00	Software
10/20/2021		account analysis	\$9,065.31	Bank and transaction fees
10/20/2021		ACCT ANALYSIS CHG ANALYSIS ACTIVITY FOR 09/21/	\$143.31	Bank and transaction fees
10/20/2021		CloudStaff	\$5,590.59	Outside Services
10/20/2021		Referral Fees	\$33,777.81	Marketing & Promotion (Commissions)

10/21/2021		Ancillary Product Fees	\$42.81	Office and administration
10/21/2021		Service Fee	\$684.30	Office and administration
10/21/2021		employee benefit	\$0.00	Personnel
10/21/2021		employee benefit payback	(\$1,460.36)	Personnel
10/21/2021		Earning	\$43,940.99	Personnel
10/21/2021		Employer Taxes	\$2,994.15	Personnel
10/21/2021		The momentum, might return, stale check	(\$4,811.10)	Office and administration
10/22/2021	FedEX	FedEx	\$28.69	Office and administration
10/24/2021	Office	Steve - wifi and cell	\$127.12	Office and administration
10/24/2021	Travel	Steve- Lyft	\$222.95	Travel
10/24/2021	Travel	Steve- Hotel	\$652.48	Travel
10/24/2021	Travel	Steve- airfare	\$796.61	Travel
10/24/2021	Travel	Steve - meal	\$177.24	Travel
10/27/2021	ADP	ADP TotalSource, Inc.	\$47,512.18	Personnel
10/28/2021	Credit Reports	CSC	\$771.50	Credit Reports
10/29/2021	Legal & Professional	Return of the retainer. Originally for 17k. 4568 charged to Graham	(\$12,432.00)	Legal & Professional
10/29/2021	Software	Instapay Software services	\$1,379.66	Software
10/29/2021	Software	MSFT	\$2,974.48	Software
10/29/2021	Software	RingCentral	\$1,268.32	Software
			\$438,744.53	

Flexible Funding

Payments on Pre Petition Debt

MOR - September 20-30, 2021

Further explanation for 7(a): Paid employee wages and reimbursements, per Wage Order; Paid interest to lenders, per Cash Collateral Orders; paid certain other expenses, per Critical Vendor Order

Interest Payments:

Date	Vendor	Amount	Description
10/01/2021	Umpqua	\$265,599.13	Interest Expense
10/01/2021	Umpqua	\$8,223.81	Interest Expense
		\$273,822.94	

Flexible Funding

Payments To Insiders

MOR - October 2021

Date	Vendor	Amount	Description
10/1/2021	Capper, Steven	\$4,086.75	Weekly Paycheck
10/8/2021	Capper, Steven	\$4,086.76	Weekly Paycheck
10/15/2021	Capper, Steven	\$4,086.75	Weekly Paycheck
10/22/2021	Capper, Steven	\$4,086.77	Weekly Paycheck
10/29/2021	Capper, Steven	\$4,086.74	Weekly Paycheck
10/1/2021	DeLuca, Paul	\$4,667.92	Weekly Paycheck
10/8/2021	DeLuca, Paul	\$4,667.91	Weekly Paycheck
10/15/2021	DeLuca, Paul	\$4,667.91	Weekly Paycheck
10/15/2021	DeLuca, Paul	\$3,639.49	Expense Reimbursement
10/22/2021	DeLuca, Paul	\$4,667.93	Weekly Paycheck
10/29/2021	DeLuca, Paul	\$4,667.91	Weekly Paycheck
10/29/2021	DeLuca, Paul	\$1,080.83	Expense Reimbursement
		\$48,493.67	